## REMARKS

Claims 1-28 and 30-32 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Picco (US 6,029,045) in view of Khoo (U.S. Pre-Grant Publication 2002/0152465) and Moshfeghi (US 6,076,166).

Referring to a gaming embodiment of the present invention as one, non-limiting example, a user may cause the game to pause during play. There is no way to know when the pause will occur before the pause happens. Even so, when there is a change in the condition of the play of the game one or more advertisements may be inserted and displayed for as long as the game is paused. When the user resumes play of the game the advertisements are no longer inserted.

Picco, alone or in combination with Khoo and Moshfeghi does not disclose or suggest in response to detecting a pause in content usage, automatically interrupting the use of content to temporarily replace the content with a previously stored advertisement, the place in the content where said pause occurs, if said pause occurs at all, not determined by a content provider, which is recited in amended claim 1.

Picco's advertisement insertion is limited to fixed locations in a data stream. For example, in Picco a television data stream includes television programming data and a local content space. Column 5, lines 49-54. The local content space is a blank spot in the programming data stream. *Id.*; Figure 2. In Picco, advertisements may be inserted into a data stream only if a local content space is identified. *See, e.g.*, column 6, lines 37-39. And the inserted advertisement must match the size of the local content space. Picco, column 11, lines 4-9. Thus, advertising placement in Picco is predetermined.

In the Office action the examiner asserts that it is well known to use avails. Paper No. 20060626, page 3. Eldering uses the term "avils" to describe advertising intervals, which are *predetermined* advertising intervals. Column 3, lines 57-67; column 4, lines 28-42. Thus, the assertion in the Office action does not cure Picco's deficiency.

Because none of Picco, Khoo, and Moshfeghi teach or suggest all of the limitations of amended claim 1 alone or in combination, claim 1 and the claims dependent thereon are patentable over the cited references.

Under a similar analysis, independent claims 11 and 21 and their respective dependent claims are also distinguished over Picco.

The rejection of claim 2 is specifically traversed. It is respectfully submitted that overwriting or removing is not the same as combining. For example, in an embodiment of the present invention, selections may be made from within a combined draft LEGAR. Specification, page 17, lines 2-7. If local content is overwritten or removed in Picco then a selection from the overwritten or removed local content is not available to the user. Thus, the local content is not combined. Reconsideration of the rejection is requested.

The rejections of claims 6, 16, and 30 are also specifically traversed. The examiner asserts that it is inherent that a user's terminal must catalog the data it has stored to manage and retrieve the data and that this reads on compiling a local electronic guide to accessing advertisements available on a remove processor-based system. Paper No. 20060626, page 5. This assertion is respectfully traversed and the examiner is requested to provide a reference disclosing that a file system for storing and retrieving files on a disk is the same as a guide to advertising resources that are <u>not</u> stored on the disk.

The rejections of claims 9 and 10 are also specifically traversed. Claim 9 calls for automatically replacing content with advertising after allowing content to be used for a predetermined amount of time, and claim 10 calls for controlling the number of times a user may access content that is stored on a receiver. The content referred to in the Office action is local content, which is advertising. *See*, *e.g.*, Picco, column 3, lines 1-13. Thus, Picco does not store content in which an advertisement is to be inserted on a content receiver. Without the storage of content (that is not an advertisement) Picco does not teach all of the limitations of claims 9 and 10. Reconsideration is requested.

Under a similar analysis, reconsideration of the rejection of claims 18 and 23 is also requested.

With respect to claim 21, the rejection is not clear and therefore the assertion of inherency is traversed.

In view of the amendments and remarks herein, the application is in condition for allowance. The examiner's prompt action in accordance therewith is requested.

Respectfully submitted,

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Rhonda L. Sheldon, Reg. No. 50,457

TROP, PRUNER & HU, P.C. 1616 S. Voss Road, Suite 750

Houston, TX 77057 713/468-8880 [Phone] 713/468-8883 [Fax]